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SUBJECT: AEC Plenary Minutes - Jan. 15, 2007 Meeting

- 11. Summary: The Assessment and Evaluation Commission (AEC) held its 16th plenary session in Khartoum on January 15. AEC Chair Vraalsen sounded a pessimistic note regarding the slow pace of implementation of the Comprehensive Peace Agreement (CPA), noting that implementation lagged far behind prescribed timetables. The National Congress Party (NCP) representative renewed a complaint against the Chairman for not clarifying that his remarks at a December 10 press conference were personal, and did not reflect the views of the AEC. Vraalsen stated that he had met with the Chairman of the Southern Sudan Commission for Census, Statistics, and Evaluation, and understood that the pilot census had been delayed as funds had not yet been transferred to it by the Ministry of Finance. Vraalsen offered to clarify the nature of his remarks in exchange for a promise by the NCP representative to raise the census funding transfer with the Ministry of Finance.
- The Power Sharing Working Group reported that a January 15 meeting held to discuss the electoral process gained the participation of several small political parties, but that the NCP had elected not to participate. The NCP representative argued that inviting guests had not been agreed to and that the issue was premature as it was still subject to emerging laws. With respect to the Working Group on Security Arrangements, the spokesman asked that a plenary session be held with the Joint Defense Board, and suggested the AEC be briefed on the status of redeployment of Sudan Armed Forces, common military doctrine, Joint Integrated Units, and disarmament, demobilization, and reintegration. Regarding the Three Areas Working Group, the SPLM representative remarked that the focus had so far been on Abyei, rather than also on Southern Kordofan and Blue Nile States. On wealth sharing, a meeting will be held in the near future to address the status of the Land Commission, the National Petroleum Commission, the Fiscal and Financial Allocating and Monitoring Commission, the status of transfers to the states, the currency conversion, and oil companies. Regarding the currency conversion, which commenced on January 9, (update septel), a Norwegian technical expert noted that only 10 percent of the banknotes had so far been printed, and that donor contributions were below expectations. An SPLM representative, Minister for Humanitarian Affairs Kosti Manibe, noted that the denominations so far released were too high in value to encompass many of the business transactions made in the South. Finally, Vraalsen circulated a draft document listing the various CPA commissions, committees, councils, and other governmental institutions at the national level, indicating their mandates, intended dates of establishment, actual dates of commencement, and meetings held. End summary.
- $\underline{\P}3$. The draft minutes from the January 15 AEC plenary meeting are as follows:

(Begin text)

Draft minutes from 16th AEC Plenary Meeting held on January 16th, 2007:

The meeting was attended by representatives from Italy, Ethiopia, Kenya, NCP, the Netherlands, Norway, SPLM, U.K., U.S., and observers from EU - Germany, A.U., L.O.A.S., and the U.N.

The Chairman wished everyone a Happy New Year and hoped that 2007 would be better for the AEC and the CPA.

He introduced the Ethiopian Government's Special Envoy to the AEC, $\mbox{Dr. Kinfe}$ Abraham.

NCP requested amendments to the draft minutes of the 15th AEC Plenary Meeting held on December 12th, 2006. They would be submitted in writing to the Secretariat. The EU representative asked for clarification regarding the National Land Commission.

The Chairman presented his report for the period December 12th, 2006 to January 16th, 2007. He emphasized the lack of progress in the implementation of the CPA. "CPA implementation was not moving anywhere near the timetables agreed upon."

Additionally, he reported on a meeting with the Minister of Presidential Affairs, who had conveyed the deep displeasure of the Presidency regarding the Chairman's statement on security and oil in his Press Conference held on December 10th, 2006.

The Chairman reported on his meeting with H.E. the President of GOSS in Juba. The importance of holding an IGAD Summit regarding the implementation of the CPA was discussed, as was the appointment of an envoy from Kenya to the AEC.

He also reported on his meeting with the Chairman of Southern Sudan Commission for Census, Statistics and Evaluation (SSCCSE) who had stated that the pilot project for the census had been postponed for the second time. This was due to delays in the disbursement of funds by the Central Ministry of Finance.

In this connection the Chairman suggested the following: He would issue a statement to the national media. He would repeat that

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statements made during his Press Conference held on December 10th 2006 were "his personal view" and not that of the Commission collectively. In return, the NCP representative would contact the Ministry of Finance regarding the U.S. \$1 million which is holding back the launch of the Pilot Census.

Reports from working groups were presented.

The Coordinator for the Power Sharing Working Group presented his report. He explained that the meeting held to discuss the "Electoral Process" on January 15th, 2007, was attended by representatives of political parties in the NCRC. NCP had chosen not to attend. The NCP responded by explaining that: 1) although holding a meeting on the "Electoral Process" had been discussed in the Working Group earlier, the issue of inviting guests was not; and 2) the wisdom of such a meeting at this juncture was questionable, since laws are still being shaped. Voicing opinions by the parties was not of significant value for the Commission in "assessing and evaluating." New information would not emerge from such a general debate.

Several Commission members differed explaining that listening to the different voices was informative and useful in a transparent and inclusive "democratization process." The Coordinator of the Working Group plans to call another meeting on the Electoral Process. U.K. expressed a wish to invite political parties outside NCRC.

The Coordinator for the Security Arrangement Working Group reported that OAGCC had not yet met. The Chairman requested the Coordinator to schedule a Plenary with the JDB. The Commission should be briefed on the redeployment of SAF forces, the status of the common military doctrine, the situation for the JIUs, as well as developments in DDR. NCP stated that the joint JIU training program was approved for 2007.

The Coordinator for the Working Group on the Three Areas reported that the draft minutes for the meeting held in December 2006 awaited finalization with the NCP. The Coordinator hoped to meet NCP within a few days. SPLM drew attention to the fact that much time was

spent on Abyei, ignoring the other two areas. He proposed that the Working Group visits the two states or alternatively invite the respective "governors" to brief the Commission on developments in their state. The Chairman supported this proposal.

The Coordinator for the Wealth Sharing Working Group informed that a meeting would be held soon to update on the status of the Land Commission, the National Petroleum Commission (NPC), the Financial Allocations Commission (FFAMC), transfers to the states from GONU, the currency and oil companies engaged in production areas.

Norway commented in connection with the currency issue that: The new currency was launched officially on the 2nd anniversary of the CPA in Juba. However, printing was not implemented to the extent that IMF deemed necessary prior to a launch. Only 10% was in place out of the stipulated 50%. Norway planned to call a meeting to gauge the amount which donors were willing to contribute to the printing of the new currency.

SPLM commented on the denominations which were coming into circulation. Coins had to be produced very urgently and not allow the new "single pound" to operate as the lowest denomination in the market. Otherwise inflation would result. Additionally, clear and easily digestible information on the new currency was necessary.

NCP praised the Governor of the Central Bank and his deputy for launching the "new currency" on schedule. However, donors had not fulfilled commitments and the GONU became obliged to provide funding from its stabilization fund. Norway commented that donors and the IMF had commended the Central Bank. Donors were waiting for the necessary endorsement from IMF to release funds.

In closing the Chairman reminded the members that they had been requested to send in comments by January 10th on "Preliminary Draft on CPA Commissions, Committees..." which was circulated last December. NCP suggested that this would be done in the relevant Working Groups.

The 17th Plenary Meeting was scheduled for February 15th, 2007. A reminder will be sent out.

(End text)

14. Note: On January 18, the local press, including English language, government-affiliated Sudan Vision carried a brief statement from Vraalsen stating that he wished to repeat that his statement made during the December 10 press conference was his personal view and did not represent the views of the AEC. End note.

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